H.B. NO. ¹²⁹⁶ H.D. 1 S.D. 2 C.D. 1

A BILL FOR AN ACT

RELATING TO STATE FUNDS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1

PART I

SECTION 1. The legislature finds that the State is suffering significant economic hardship due to the COVID-19 pandemic. While the legislature supports tobacco prevention and cessation, given the extraordinary economic conditions that the State is facing, all resources must be examined to protect the overall health, safety, and welfare of the public.

8 The purpose of this part is to generate additional general 9 funds to ensure the delivery of critical services statewide by 10 suspending the distribution of tobacco settlement moneys to the 11 Hawaii tobacco prevention and control trust fund and maximizing 12 other state resources.

13 SECTION 2. Section 328L-2, Hawaii Revised Statutes, is14 amended by amending subsection (b) to read as follows:

15 "(b) The fund shall be used for the purpose of receiving, 16 allocating, and appropriating the tobacco settlement moneys as 17 follows:

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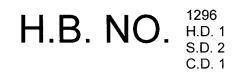
H.B. NO. ¹²⁹⁶ H.D. 1 S.D. 2 C.D. 1

1	(1)	Fifteen per cent shall be appropriated into the
2		emergency and budget reserve fund under
3		section 328L-3;
4	[(2)	Twelve and one-half per cent shall be appropriated
5		into the Hawaii tobacco prevention and control trust
6		fund-under section 328L-5;
7	(3)	Twenty-six] (2) Until July 1, 2033, twenty-six
8		per cent shall be appropriated into the university
9		revenue-undertakings fund created in
10		section 304A-2167.5, to be applied to the payment of
11		the principal of and interest on, and to generate
12		required coverage, if any, for, revenue bonds issued
13		by the board of regents of the University of Hawaii to
14		finance the cost of construction of a university
15		health and wellness center, including a new medical
16		school facility, to be situated on the island of Oahu;
17		and
18	[-(4)-]	(3) Any remaining amounts in excess of \$4,300,000
19		shall be deposited to the credit of the state general
20		fund;
21	in the su	cceeding fiscal year."

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1	SECT	ION 3. Section 328L-6, Hawaii Revised Statutes, is
2	amended to	o read as follows:
3	"[+];	§328L-6[]] Tobacco prevention and control advisory
4	board. (a	a) There is established a tobacco prevention and
5	control ad	dvisory board under the department for administrative
6	purposes.	
7	(b)	The tobacco prevention and control advisory board
8	shall con	sist of members who are involved in tobacco prevention
9	and contro	ol. Membership of the board shall be as follows:
10	(1)	One member of the governor's staff, appointed by the
11		governor;
12	(2)	One member to be appointed by the governor from a list
13		of two names submitted by the president of the senate;
14	(3)	One member to be appointed by the governor from a list
15		of two names submitted by the speaker of the house of
16		representatives;
17	(4)	The director or the director's designee;
18	(5)	The superintendent of education or the
19		superintendent's designee;
20	(6)	Three members having demonstrated interest in and
21		having backgrounds beneficial to controlling and

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1		preventing the use of tobacco, appointed by the			
2		director of health; and			
3	(7)	Three members representing populations at risk for			
4		tobacco use, appointed by the governor.			
5	(c)	Members shall:			
6	(1)	Be appointed or designated, as applicable, without			
7		regard to section 26-34;			
8	(2)	Serve without compensation; and			
9	(3)	Serve for a term of three years.			
10	(d)	The tobacco prevention and control advisory board, in			
11	collabora	tion with the department, shall develop a strategic			
11 12		tion with the department, shall develop a strategic tobacco prevention and control, including:			
		tobacco prevention and control, including:			
12	plan for	tobacco prevention and control, including:			
12 13	plan for	tobacco prevention and control, including: Developing and implementing effective and cost			
12 13 14	plan for	tobacco prevention and control, including: Developing and implementing effective and cost efficient programs, including health promotion and			
12 13 14 15	plan for (1)	tobacco prevention and control, including: Developing and implementing effective and cost efficient programs, including health promotion and disease prevention;			
12 13 14 15 16	plan for (1)	tobacco prevention and control, including: Developing and implementing effective and cost efficient programs, including health promotion and disease prevention; Developing adequate standards and benchmarks by which			
12 13 14 15 16 17	plan for (1)	<pre>tobacco prevention and control, including: Developing and implementing effective and cost efficient programs, including health promotion and disease prevention; Developing adequate standards and benchmarks by which measures of program success under paragraph (1) of</pre>			

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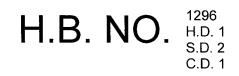
1	The strategic plan shall be in writing and shall be a
2	public document.
3	[(e) The tobacco prevention and control advisory board
4	shall advise the on the administration of the Hawaii tobacco
5	prevention and control trust-fund.]"
6	SECTION 4. Section 328L-5, Hawaii Revised Statutes, is
7	repealed.
8	[" <mark>\$328L-5 Hawaii tobacco prevention and control trust</mark>
9	fund. (a) There is established the Hawaii tobacco prevention
10	and control trust fund as a separate fund of a nonprofit entity
11	having a board of directors and qualifying under
12	section 501(c)(3) of the Internal Revenue Code of 1986, as
13	amended, into which shall be deposited moneys received as
14	provided under section 328L-2(b)(2). The director of health
15	with the concurrence of the governor, shall select, in
16	accordance with law, the entity based upon the proven record of
17	accomplishment of the entity in administering a similar trust
18	fund.
19	(b) Notwithstanding that the Hawaii tobacco prevention and
20	control trust fund is established within a private entity, the
21	department of budget and finance shall have oversight authority

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1	over the fund and may make periodic financial audits of the
2	fund; provided that the director of finance may contract with a
3	certified public accountancy firm for this purpose. The
4	director of health with the concurrence of the governor in their
5	sole discretion may rescind the selection of the entity. If the
6	selection of the entity [is] rescinded, moneys in the trust fund
7	shall revert back to the State and shall be deemed to be trust
8	moneys.
9	(c) The entity selected under subsection (a), for each
10	fiscal year, may expend up to fifty per cent of the total market
11	value of the Hawaii tobacco prevention and control trust-fund on
12	the preceding June 30, for tobacco prevention and control,
13	including but not limited to, reducing cigarette smoking and
14	tobacco use among youth and adults through education and
15	enforcement activities, and controlling and preventing chronic
16	diseases where tobacco is a risk factor.
17	(d) The Hawaii tobacco prevention and control trust fund
18	may receive appropriations, contributions, grants, endowments,
19	or gifts in cash or otherwise from any source, including the
20	State, corporations or other businesses, foundations,
21	government, individuals, and other interested parties; provided

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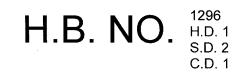


1	that any appropriations made by the State shall not supplant or
2	diminish the funding of existing tobacco prevention and control
3	programs or any health related programs funded in whole or in
4	part by the State.
5	(e) The assets of the Hawaii tobacco prevention and
6	control trust fund shall consist of:
7	(1) Moneys appropriated under section 328L-2(b)(2);
8	(2) Moneys appropriated to the Hawaii tobacco prevention
9	and control trust fund by the state, county, or
10	federal government;
11	(3) Private contributions of cash or property; and
12	(4) Income and capital gains earned by the trust fund.
13	(f) The aggregate principal sum deposited in the Hawaii
14	tobacco-prevention and control-trust fund shall be invested by
15	the entity selected under subsection (a) in a manner intended to
16	maximize the rate of return on investment of the trust fund
17	consistent with the objective of preserving the trust fund's
18	principal.
19	(g) If the entity selected under subsection (a) is
20	dissolved, the director of health, with the concurrence of the
21	governor, shall select a successor entity. If the Hawaii

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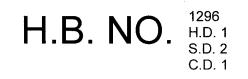
1	tobacco prevention and control trust fund is terminated, the
2	moneys remaining in the trust fund shall revert back to the
3	State and shall be deemed to be trust moneys.
4	(h) The administration of the Hawaii tobacco prevention
5	and control trust-fund shall be advised by the tobacco
6	prevention and control advisory board created under
7	section 328L-6."]
8	SECTION 5. Any contract relating to the management of the
9	Hawaii tobacco prevention and control trust fund moneys shall
10	not extend beyond June 30, 2025.
11	SECTION 6. Any unencumbered balances remaining in the
12	Hawaii tobacco prevention and control trust fund as of June 30,
13	2025, shall lapse to the credit of the general fund on June 30,
14	2025.
15	SECTION 7. The department of health shall provide an
16	annual report on the moneys expended from the Hawaii tobacco
17	prevention and control trust fund to the legislature no later
18	than twenty days prior to the convening of the regular sessions
19	of 2022, 2023, 2024, 2025, and 2026. The report shall identify
20	each recipient of moneys from the fund, the amount of moneys
21	received by each recipient, and the purpose of the expenditure.

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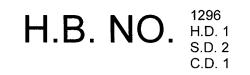


1	PART II
2	SECTION 8. This part is recommended by the governor for
3	immediate passage in accordance with article VII, section 9, of
4	the Constitution of the State of Hawaii.
5	SECTION 9. There is appropriated out of the general
6	revenues of the State of Hawaii the sum of \$4,780,880 or so much
7	thereof as may be necessary for fiscal year 2020-2021 for
8	payroll and other current expenses to address the budget
9	shortfall for the state comprehensive emergency medical services
10	system.
11	The sum appropriated shall be expended by the department of
12	health for the purposes of this part.
13	PART III
14	SECTION 10. There is appropriated out of the general
15	revenues of the State of Hawaii the sum of \$577,466 or so much
16	thereof as may be necessary for fiscal year 2021-2022 and the
17	same sum or so much thereof as may be necessary for fiscal year
18	2022-2023 for the establishment of two full-time equivalent
19	(2.00 FTE) permanent positions and five full-time equivalent
20	(5.00 FTE) temporary positions for the office of the governor.

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1	The sums appropriated shall be expended by the office of
2	the governor for the purposes of this part.
3	PART IV
4	SECTION 11. Chapter 36, Hawaii Revised Statutes, is
5	amended by adding a new section to be appropriately designated
6	and to read as follows:
7	"§36- Non-general fund positions; reimbursement. Each
8	department, including the University of Hawaii and the
9	department of education, shall reimburse the State for
10	contributions made by the State pursuant to sections 87A-39
11	and 88-125, for fringe benefits of employees whose positions are
12	funded by a special fund rather than by the general fund."
13	SECTION 12. Section 245-15, Hawaii Revised Statutes, is
14	amended to read as follows:
15	"§245-15 Disposition of revenues. (a) All moneys
16	collected pursuant to this chapter shall be paid into the state
17	treasury as state realizations to be kept and accounted for as
18	provided by law; provided that, of the moneys collected under
19	the tax imposed pursuant to:
20	(1) Section 245-3(a)(5), after September 30, 2006, and
21	prior to October 1, 2007, 1.0 cent per cigarette shall

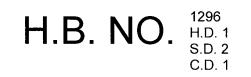


1		be de	eposited to the credit of the Hawaii cancer
2		resea	arch special fund, established pursuant to
3		sect	ion 304A-2168, for research and operating expenses
4		and f	for capital expenditures;
5	(2)	Sect	ion 245-3(a)(6), after September 30, 2007, and
6		prio	to October 1, 2008:
7		(A)	1.5 cents per cigarette shall be deposited to the
8			credit of the Hawaii cancer research special
9			fund, established pursuant to section 304A-2168,
10			for research and operating expenses and for
11			capital expenditures;
12		(B)	0.25 cents per cigarette shall be deposited to
13			the credit of the trauma system special fund
14			established pursuant to section 321-22.5; and
15		(C)	0.25 cents per cigarette shall be deposited to
16			the credit of the emergency medical services
17			special fund established pursuant to
18			section 321-234;
19	(3)	Sect	ion 245-3(a)(7), after September 30, 2008, and
20		prio	r to July 1, 2009:

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1		(A)	2.0 cents per cigarette shall be deposited to the
2			credit of the Hawaii cancer research special
3			fund, established pursuant to section 304A-2168,
4			for research and operating expenses and for
5			capital expenditures;
6		(B)	0.5 cents per cigarette shall be deposited to the
7			credit of the trauma system special fund
8			established pursuant to section 321-22.5;
9		(C)	0.25 cents per cigarette shall be deposited to
10			the credit of the community health centers
11			special fund established pursuant to
12			section 321-1.65; and
13		(D)	0.25 cents per cigarette shall be deposited to
14			the credit of the emergency medical services
15			special fund established pursuant to
16			section 321-234;
17	(4)	Sect	ion 245-3(a)(8), after June 30, 2009, and prior to
18		July	1, 2013:
19		(A)	2.0 cents per cigarette shall be deposited to the
20			credit of the Hawaii cancer research special
21			fund, established pursuant to section 304A-2168,



1			for research and operating expenses and for
2			capital expenditures;
3		(B)	0.75 cents per cigarette shall be deposited to
4			the credit of the trauma system special fund
5			established pursuant to section 321-22.5;
6		(C)	0.75 cents per cigarette shall be deposited to
7			the credit of the community health centers
8			special fund established pursuant to
9			section 321-1.65; and
10		(D)	0.5 cents per cigarette shall be deposited to the
11			credit of the emergency medical services special
12			fund established pursuant to section 321-234;
13	(5)	Sect	ion 245-3(a)(11), after June 30, 2013, and prior
14		to J	uly 1, 2015:
15		(A)	2.0 cents per cigarette shall be deposited to the
16			credit of the Hawaii cancer research special
17			fund, established pursuant to section 304A-2168,
18			for research and operating expenses and for
19			capital expenditures;

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1		(B)	1.5 cents per cigarette shall be deposited to the
2			credit of the trauma system special fund
3			established pursuant to section 321-22.5;
4		(C)	1.25 cents per cigarette shall be deposited to
5			the credit of the community health centers
6			special fund established pursuant to
7			section 321-1.65; and
8		(D)	1.25 cents per cigarette shall be deposited to
9			the credit of the emergency medical services
10			special fund established pursuant to
11			section 321-234; and
11			
12	(6)	Sect	ion 245-3(a)(11), after June 30, 2015, and
	(6)		
12	(6)		ion 245-3(a)(11), after June 30, 2015, and
12 13	(6)	[th e	ion 245-3(a)(11), after June 30, 2015, and reafter]:
12 13 14	(6)	[th e	ion 245-3(a)(11), after June 30, 2015, and reafter]: <u>Prior to July 1, 2041,</u> 2.0 cents per cigarette
12 13 14 15	(6)	[th e	<pre>ion 245-3(a)(11), after June 30, 2015, and reafter]: <u>Prior to July 1, 2041,</u> 2.0 cents per cigarette shall be deposited to the credit of the Hawaii</pre>
12 13 14 15 16	(6)	[th e	<pre>ion 245-3(a)(11), after June 30, 2015, and reafter]: <u>Prior to July 1, 2041,</u> 2.0 cents per cigarette shall be deposited to the credit of the Hawaii cancer research special fund, established</pre>
12 13 14 15 16 17	(6)	[th e	<pre>ion 245-3(a)(11), after June 30, 2015, and reafter]: <u>Prior to July 1, 2041,</u> 2.0 cents per cigarette shall be deposited to the credit of the Hawaii cancer research special fund, established pursuant to section 304A-2168, for [research and</pre>
12 13 14 15 16 17 18	(6)	[the (A)	<pre>ion 245-3(a)(11), after June 30, 2015, and reafter]: Prior to July 1, 2041, 2.0 cents per cigarette shall be deposited to the credit of the Hawaii cancer research special fund, established pursuant to section 304A-2168, for [research-and operating expenses and for] capital expenditures;</pre>

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1		special fund established pursuant to
2		section 321-22.5;
3	(C)	Thereafter, 1.25 cents per cigarette, but not
4		more than \$8,800,000 in a fiscal year, shall be
5		deposited to the credit of the community health
6		centers special fund established pursuant to
7		section 321-1.65; and
8	(D)	Prior to July 1, 2021, 1.25 cents per cigarette,
9		but not more than \$8,800,000 in a fiscal year,
10		shall be deposited to the credit of the emergency
11		medical services special fund established
12		pursuant to section 321-234.
13	<u>(b)</u> The	department shall provide an annual accounting of
14	these disposit	ions to the legislature."
15		PART V
16	SECTION 1	3. The legislature finds that mass shootings and
17	mass casualty	events are a public health crisis. The National
18	Governors Asso	ciation has stated that efforts to prevent
19	targeted viole	nce map on to other prevention and mitigation
20	efforts, speci	fically public health models. The legislature
21	notes that man	y violence prevention strategies, such as

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1 assessment, risk identification, and mitigation, are already 2 included as an important part of new physician training. These 3 current practices fit well with the objectives and strategies of 4 threat assessment teams, while trained mental health 5 professionals, such as psychiatrists and psychologists, provide crucial insights and skills that are invaluable to 6 7 interdisciplinary threat assessment. 8 The legislature further finds that the Hawaii state fusion 9 center, in partnership with other agencies, has already laid a 10 foundation for a threat assessment program. Enabling a 11 multidisciplinary threat assessment team consisting of 12 individuals with diverse training and experience can help 13 prevent violence and find solutions to manage threats. 14 The purpose of this part is to establish a threat 15 assessment team program within the Hawaii state fusion center of 16 the office of homeland security to train, establish, and operate 17 threat assessment teams. 18 SECTION 14. Chapter 128A, Hawaii Revised Statutes, is

19 amended by adding a new section to be appropriately designated 20 and to read as follows:

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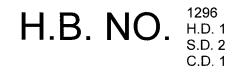
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H.B.	NO.	1296 H.D. 1 S.D. 2 C.D. 1	

1	"S128A- Threat assessment team program; established.
2	(a) There is established within the Hawaii state fusion center
3	of the office of homeland security a threat assessment team
4	program for the Hawaii state fusion center to train, establish,
5	and operate threat assessment teams.
6	(b) The threat assessment team program and facility shall
7	be located at the First Responders Technology Park,
8	TMK 9-5-002:057, at an appropriate time."
9	PART VI
10	SECTION 15. There is appropriated out of the general
11	revenues of the State of Hawaii the sum of \$132,972 or so much
12	thereof as may be necessary for fiscal year 2021-2022 and the
13	same sum or so much thereof as may be necessary for fiscal year
14	2022-2023 for one full-time equivalent (1.00 FTE) permanent
15	administrative assistant position in the department of human
16	resources development.
17	The sums appropriated shall be expended by the department
18	of human resources development for the purposes of this part.
19	PART VII
20	SECTION 16. Statutory material to be repealed is bracketed
21	and stricken. New statutory material is underscored.

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SECTION 17. This Act shall take effect on July 1, 2021;
provided that sections 3 and 4 shall take effect on June 30,
2025.

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Report Title:

Hawaii Tobacco Settlement Special Fund; Hawaii Tobacco Prevention and Control Trust Fund; Repeal; Emergency Appropriation; Governor; Cigarette Taxes; UH; Threat Assessment Team Program; DHRD; Positions; Appropriation

Description:

Part I: Repeals the Hawaii tobacco prevention and control trust fund and transfers unencumbered balances to the general fund on 6/30/2025. Specifies that Hawaii tobacco settlement special fund moneys shall only be deposited into the university revenueundertakings fund until 7/1/2033. Prohibits any contract for the management of Hawaii tobacco prevention and control trust fund moneys from extending beyond 6/30/2025. Imposes a \$4,300,000 cap on Hawaii tobacco settlement special fund. Requires report to the legislature twenty days prior to the convening of the regular sessions of 2022, 2023, 2024, 2025, and 2026 on expenditures from Hawaii tobacco prevention and control trust fund moneys. Part II: Makes an emergency appropriation to provide funds for the state comprehensive emergency medical services system for expenses related to collective bargaining and other current expenses. Part III: Establishes and funds two permanent and five temporary full-time equivalent positions in the office of the governor. Part IV: Requires all departments and the University of Hawaii to reimburse fringe benefit costs for non-general funded positions. Specifies that the cigarette tax revenues deposited to the credit of the cancer research special fund shall only be used for capital expenditures and only until 7/1/2041. Ceases deposits of cigarette tax revenues into the emergency medical services special fund on 7/1/2021. Part V: Establishes a threat assessment team program. Part VI: Funds one full-time equivalent position in the department of human resources development. (CD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

